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Workforce Investment Act (WIA) Reauthorization Proposals in the 113th Congress: Comparison of Major Features of Current Law and S.1356

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Abstract
The Workforce Investment Act of 1998 (WIA; P.L. 105-220) is the primary federal program that supports workforce development activities, including job search assistance, career development, and job training. WIA established the One-Stop delivery system as a way to co-locate and coordinate the activities of multiple employment programs for adults, youth, and various targeted subpopulations. The delivery of these services occurs primarily through more than 3,000 One-Stop career centers nationwide.

WIA includes four main titles that cover employment and training services, adult education and literacy services, the employment service, and vocational rehabilitation services for individuals with disabilities. The authorizations for appropriations for most programs under WIA expired at the end of FY2003. Since that time, WIA programs have been funded through the annual appropriations process.

The Senate Committee on Health, Education, Labor, and Pensions (HELP) held a markup of S. 1356 (the Workforce Investment Act of 2013) on July 31, 2013, and ordered the bill reported by a vote of 18 to 3. S. 1356 would reauthorize WIA through 2018.

S. 1356 would maintain the One-Stop delivery system established by WIA but would make changes to the programs, services, and governing structure of WIA, through changes to Workforce Investment Boards (WIBs), state plan requirements, national programs, and alignment and coordination provisions across all titles. Some of the major changes include the adoption of primary indicators of performance across all WIA titles, the requirement of a Unified State Plan that includes all core programs, the authorization of innovation and replication grants, greater emphasis on economic and employment outcomes for adult education programs, and expanded services for youth and students with disabilities. This report provides a comparison of major themes in current WIA and in S. 1356.

Keywords
Workforce Investment Act, WIA, development, job search assistance, training, Congress

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Workforce Investment Act (WIA) Reauthorization Proposals in the 113th Congress: Comparison of Major Features of Current Law and S.1356

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October 29, 2013
Summary

The Workforce Investment Act of 1998 (WIA; P.L. 105-220) is the primary federal program that supports workforce development activities, including job search assistance, career development, and job training. WIA established the One-Stop delivery system as a way to co-locate and coordinate the activities of multiple employment programs for adults, youth, and various targeted subpopulations. The delivery of these services occurs primarily through more than 3,000 One-Stop career centers nationwide.

WIA includes four main titles that cover employment and training services, adult education and literacy services, the employment service, and vocational rehabilitation services for individuals with disabilities. The authorizations for appropriations for most programs under WIA expired at the end of FY2003. Since that time, WIA programs have been funded through the annual appropriations process.

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This report provides a comparison of major themes in current WIA and in S. 1356.
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Introduction

The Workforce Investment Act of 1998 (WIA; P.L. 105-220) is the primary federal program that supports workforce development. WIA includes four main titles:

- Title I—Workforce Investment Systems—authorizes programs that provide job training and related services to unemployed or underemployed individuals. Title I programs, which are primarily administered through the Employment and Training Administration (ETA) of the U.S. Department of Labor (DOL), include three state formula grant programs, multiple national programs, Job Corps, and demonstration programs. In addition, Title I authorizes the establishment of a One-Stop delivery system through which state and local WIA training and employment activities are provided and through which certain partner programs must be coordinated.

- Title II—Adult Education and Literacy—authorizes education services to assist adults in improving their literacy, completing secondary education, and developing English language proficiency.

- Title III—Workforce Investment-Related Activities—amends the Wagner-Peyser Act of 1933 to integrate the U.S. Employment Service (ES), which provides job search and job matching assistance to unemployed individuals, into the One-Stop system established by WIA.

- Title IV—Rehabilitation Act Amendments of 1998—amends the Rehabilitation Act of 1973, which provides employment-related services to individuals with disabilities.

The authorizations for appropriations for most programs under the Workforce Investment Act (WIA) of 1998 (P.L. 105-220) expired at the end of FY2003. Since that time, WIA programs have been funded through the annual appropriations process. In the 108th and 109th Congresses, bills to reauthorize WIA were passed in both the House and the Senate; however, no further action was taken.\(^1\)

In the 113th Congress, the House Committee on Education and the Workforce ordered reported H.R. 803—the Supporting Knowledge and Investing in Lifelong Skills Act (SKILLS Act), which was introduced on February 25, 2013, by Representative Virginia Foxx of North Carolina. On March 6, 2013, the committee, after considering four amendments to H.R. 803, ordered the bill reported by a vote of 23 to 0. No Democrats on the committee cast a vote on the measure, maintaining that they were not provided adequate input in the process.\(^2\) H.R. 803 was debated in the House of Representatives on March 15, 2013, and passed by a vote of 215-202.\(^3\)

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\(^3\) For a summary of H.R. 803, see CRS Report R42990, *Workforce Investment Act (WIA) Reauthorization Proposals in the 113th Congress: Comparison of Major Features of Current Law and H.R. 803*, by David H. Bradley and Benjamin (continued...)
In the Senate, Senators Patty Murray, Lamar Alexander, Tom Harkin, and Johnny Isakson introduced S. 1356, the Workforce Investment Act of 2013, on July 24, 2013. The Senate Committee on Health, Education, Labor, and Pensions (HELP) held a markup of S. 1356 on July 31, 2013, and ordered the bill reported by a vote of 18 to 3.

This report summarizes each of the WIA titles and highlights the major features of S. 1356, as ordered reported, pertaining to each title. The report also compares the proposed provisions of S. 1356 to current law in the following tables:

**Table 1.** Major Provisions of Title I of WIA and Titles I and II of S. 1356. This table covers provisions governing the “workforce investment systems” that provide for, among other things, state formula grants, state and local planning procedures, and the establishment of the One-Stop delivery system. WIA established the One-Stop delivery system as a way to co-locate and coordinate the activities of multiple employment programs for adults, youth, and various targeted subpopulations. The delivery of these services occurs primarily through more than 3,000 career centers nationwide.

**Table 2.** Major Provisions of Title II of WIA and Title III of S. 1356. This table covers provisions for adult education and literacy activities.

**Table 3.** Major Provisions of Title III of WIA and Title IV of S. 1356. This table covers changes to the Wagner-Peyser Act of 1933, which was also amended in Title III of WIA. Wagner-Peyser provides authorization for the Employment Service, which provides job matching and job search assistance for unemployed individuals.

**Table 4.** Major Provisions of Title IV of WIA and Title V of S. 1356. This table addresses amendments to the Rehabilitation Act of 1973, in particular to the Vocational Rehabilitation and other employment-related provisions of that act, which authorizes various employment services for individuals with disabilities.

(continued)

Collins.

4 For more information on existing workforce investment systems, see CRS Report R41135, *The Workforce Investment Act and the One-Stop Delivery System*, by David H. Bradley.

5 For more information on the Vocational Rehabilitation Program, see CRS Report R42148, *Vocational Rehabilitation Grants to States: Program Overview*, by Benjamin Collins.
Title I (System Alignment and Innovation) and Title II (Workforce Investment and Related Activities)\(^6\)

Title I of the Workforce Investment Act—Workforce Investment Systems—authorizes the establishment of a One-Stop delivery system through which state and local WIA training and employment activities are provided and through which certain partner programs must be coordinated. Title I also authorizes appropriations for the three major state formula grant programs (Adult, Youth, and Dislocated Worker), Job Corps (a DOL-administered program for low-income youth), and several other national programs that are directed toward subpopulations with barriers to employment (e.g., Native Americans).

S. 1356 would maintain the existing One-Stop delivery system as the delivery mechanism for employment and training services but would change the governing structure, performance accountability, and some programs. S. 1356 would split the current Title I into a new Title I (system alignment and governance) and a new Title II (programs). Below is a brief summary of the major provisions of S. 1356. This list is followed by a thematic comparison in Table 1 of current law and S. 1356.

Cooperation and Alignment

S. 1356 would maintain the One-Stop system and make adjustments to increase coordination and alignment of workforce development programs. To address coordination and alignment, S. 1356 would

- add the Temporary Assistance for Needy Families (TANF) program as a required One-Stop partner (optional partner under current WIA);
- add requirements for Workforce Development Boards (WDBs, renamed from current Workforce Investment Boards) to coordinate, align programs, and reduce duplicative services;
- require a Unified State Plan (USP) for core programs—state formula grants, adult education, the Employment Service, and Vocational Rehabilitation;
- allow a Combined State Plan (CSP) that would include core programs and at least one other One-Stop partner program;
- expand demonstration and evaluation activities to emphasize collaborative partnerships across institutions and strategies to improve outcomes for individuals with barriers to employment; and
- establish and authorize appropriations for Workforce Innovation and Replication Grants (WIRG) and Youth Innovation and Replication Grants (YIRG); the WIRG program would provide competitive grants to states and localities to develop and implement innovative strategies to align programs and create coordination in workforce strategies and the YIRG program would provide competitive grants to

\(^6\) This section was prepared by David Bradley.
states and localities to develop and implement strategies and programs (e.g., career pathways) to improve education and employment outcomes for youth.

Funding

S. 1356 would authorize Title II programs (Adult, Youth, and Dislocated Worker State Formula Grants, Job Corps, and National Programs) at “such sums as may be necessary” for each of FY2014 through FY2018.

In addition, S. 1356 would maintain the three state formula grant programs but would change some of the formula features.

- **WIA Youth Activities**—S. 1356 would maintain formula weights but would replace current factors with three new factors:
  - Civilian Labor Force Ages 16-21 (weight=1/3);
  - Total Unemployed (weight=1/3); and
  - Disadvantaged Youth Ages 16-21 (weight=1/3); the definition of “disadvantaged youth” would change to a person with an income of or in a family with an income of less than 150% of the federal poverty line.

- **WIA Adult Activities**—S. 1356 would change formula factors and weights:
  - Unemployed in Areas of Substantial Unemployment (weight=40%);
  - Civilian Labor Force (weight=25%); and
  - Disadvantaged Adults (weight=35%); the definition of “disadvantaged adult” would change to a person with an income of or in a family with an income of less than 150% of the federal poverty line.

- **WIA Dislocated Worker Activities.** The formulas and weights would remain the same as current law but S. 1356 would add hold harmless (90% of previous fiscal year allotment percentage) and stop gain (130% of previous fiscal year allotment percentage) provisions that prevent large funding losses or gains from year to year.

S. 1356 would also increase the percentage of funds that local Workforce Development Boards may transfer between Adult and Dislocated programs from 20% to 100%.

Finally, S. 1356 would allow local Workforce Development Boards (LWDBs) to choose between two methods of funding the costs of infrastructure of One-Stop centers. First, LWDBs would be allowed to continue to develop memoranda of understanding between the LWDB, chief elected local official, and One-Stop partner programs to fund the costs of One-Stop infrastructure. Second, the governor of each state would be permitted to determine the infrastructure amounts based on the proportionate use of each partner program in each local One-Stop, subject to a cap of the funds provided for each program. In the event that local areas are not able to develop a memorandum of understanding for infrastructure costs, the state funding mechanism would automatically apply.
Workforce Investment Boards

S. 1356 would change the name Workforce Investment Board (WIB) to Workforce Development Board (WDB) and would maintain the current business majority requirement for WDBs. S. 1356 would alter other membership provisions, including a requirement that a minimum of 20% of WDB members represent the workforce. These changes would apply to both the state and local boards.

In addition, S. 1356 would add state WIB functions to
- develop recommendations to align core and non-core programs,
- develop plans to remove barriers to coordination and non-duplication,
- develop career pathways programs,
- develop and expand industry or sector partnership initiatives,
- identify regions for purposes of regional planning,
- design and implement integrated data systems, and
- develop and disseminate best practices.

Similarly, S. 1356 would change local WDB functions to require
- expanded parameters of regional economic analysis that LWDBs conduct,
- efforts to engage local employers,
- development and expansion of career pathways programs, and
- identification and promotion of proven and promising practices in workforce development.

Finally, S. 1356 would require that the Secretary of Labor (in consultation with the Secretary of Education) develop and identify guidelines for qualifications of directors of state and local WDBs.

Performance Accountability

Under S. 1356, “state performance accountability measures” would consist of the primary indicators of performance described in Section 131(b)(2)(A)(i) and any additional indicators identified by individual states. These six primary indicators of performance would be
- the percentage of program participants who are employed during the second quarter after exit from the program;
- the percentage of program participants who are employed during the fourth quarter after exit from the program;
- the median earnings of program participants who are employed during the second quarter after exit from the program;
the percentage of program participants who obtain a recognized postsecondary credential, or a secondary school diploma or its recognized equivalent, during participation in or within one year after exit from the program;

the percentage of program participants who, during a program year, are in an education or training program that leads to a recognized postsecondary credential or employment and who are achieving measurable skill gains toward such a credential or employment; and

the indicators of effectiveness in serving employers (to be developed by the Secretary of Labor and Education).

These primary indicators of performance would apply to most programs authorized under WIA, including the Adult and Dislocated Worker formula grant programs, national programs, adult education programs, Employment Service programs, and Vocational Rehabilitation programs. A slightly different set of six indicators would apply to youth programs authorized under WIA.

Finally, S. 1356 would establish the use of a statistical model (regression) to adjust levels of performance based on economic conditions and characteristics of the populations served.

Planning

S. 1356 would change state and local planning requirements to combine more programs into a single planning process.

Specifically, for state plans, S. 1356 would require states to submit a Unified State Plan (USP) to the Secretaries of Labor and Education every four years that covers the “core” program—WIA state formula grant programs, adult education programs, the Employment Service, and vocational rehabilitation programs. The USP would include

- strategic planning elements: economic conditions of the state, a description of the workforce (including gaps between workforce and employer needs), workforce development activities, and a strategy for aligning core programs; and

- operational planning elements: alignment of programs with WIA programs and other employment programs not covered under the USP, implementation of career pathways, provision of support services, integration of technology into service delivery, assistance to local WIBs and One-Stop partners, and assessment plans for measuring effectiveness of One-Stop programs.

In addition, S. 1356 would allow states to submit a Combined State Plan (CSP), which would cover the core programs and one or more of the partner programs in the One-Stop system. States choosing to submit a CSP would be required to provide the same content as in the USP.

Employment and Training Activities

Some of the changes that S. 1356 would make to employment and training activities include

- an increase from 30% to 75% in the minimum percentage of funding that must be spent on out-of-school youth;
the addition of several new allowable *statewide* activities, including developing and implementing industry sector strategies, career pathway programs, microenterprise programs, and business intermediary strategies;

the addition of a required activity for *local* areas to designate a dedicated business liaison to develop relationships and networks with local employers;

the addition of incumbent worker training (i.e., training for currently employed workers) and transitional jobs to the list of allowable training activities at the local level;

an increase from 50% to 75% in the allowable wage reimbursement rate for on-the-job training;

the addition of a series of allowable local activities related to coordinating with non-WIA programs, developing and expanding sector strategies, and collaborating with multiple employers to address skill gaps; and

the removal of the sequences of services requirement, such that individuals would be eligible to receive training without core or intensive services if a One-Stop operator determines the individual is ready and would benefit from training.
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<tr>
<th>Provision</th>
<th>Current WIA Law</th>
<th>S. 1356</th>
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<tr>
<td>Authorization and Funding Levels</td>
<td>Authorizes Title I programs (Adult, Youth, and Dislocated Worker State Formula Grants, Job Corps, and National Programs) at “such sums as may be necessary” for each of fiscal years 1999 through 2003. Annual appropriations have funded programs since 2003. YouthBuild (Section 173A) authorized at “such sums as may be necessary” for each of fiscal years 2007 through 2012. FY2013 funding for all Title I programs is $4.7 billion.</td>
<td>Authorizes Title II programs (Adult, Youth, and Dislocated Worker State Formula Grants, Job Corps, and National Programs) at “such sums as may be necessary” for each of fiscal years 2014 through 2018.</td>
</tr>
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</table>
| The One-Stop Delivery System and Program Consolidation | Establishes required and optional One-Stop partners, requires development of local memoranda of understanding between partner programs primarily regarding costs of One-Stop operations, and provides a process for designating operators of One-Stop centers. The purpose of the One-Stop centers is to coordinate a set of interrelated programs and services. Requires partner programs as part of the One-Stop delivery system. The required partner programs are:  
  - WIA Adult Activities  
  - WIA Dislocated Worker Activities  
  - WIA Youth Activities  
  - Job Corps  
  - WIA Native American Programs  
  - WIA Migrant and Seasonal Farmworker Programs  
  - YouthBuild  
  - Pilot and Demonstration Programs (Section 171)  
  - Veterans Workforce Investment Program  
  - Community Service Employment for Older Americans  
  - Disabled Veterans’ Outreach Program  
  - Local Veterans’ Employment Representatives  
  - Employment Service  
  - Adult Education and Family Literacy  
  - Vocational Rehabilitation  
  - Postsecondary Career and Technical Education  
  - Trade Adjustment Assistance  
  - Community Service Block Grants  
  - State Unemployment Compensation | Maintains the One-Stop system to deliver workforce services. Requires colocation of Employment Service offices with One-Stop centers. Adds to the list of required One-Stop partners programs authorized under part A of Title IV of the Social Security Act (Temporary Assistance for Needy Families) and programs authorized under Section 212 of the Second Chance Act of 2007 (Responsible Integration of Offenders). |
## Repeals

Not applicable. The legislation repeals:

- WIA Youth Opportunity Grants (Sec. 169)
- Twenty-First Century Work Commission (Title III, Sections 331-339)

## State Workforce Investment Boards (WIB) Membership

Establishes state WIBs. A WIB is part of the governance structure for programs that form the workforce development system under WIA and is responsible for planning and implementing WIA-funded activities.

Requires the state WIB to include representatives of state legislatures, businesses, labor organizations, youth organizations, organizations with experience delivering workforce investment activities, and lead state agency officials of WIA partner programs.

Requires the majority of the WIB to be business representatives.

Changes WIBs to Workforce Development Boards (WDB) and alters the state WDB membership requirements:

- Maintains the business majority requirement of state WDB but adds a requirement that board members represent businesses that provide employment opportunities that provide workers with career pathways and provide high-quality training in in-demand sectors and occupations;
- Requires that 20% of board represent the workforce, including representatives of labor organizations;
- Requires the balance of board to include the Governor, two members of each chamber of the state legislature, state government officials responsible for core programs (WIA formula grant programs, adult education programs, the Employment Service, and vocational rehabilitation), chief elected officials, and a representative of apprenticeship programs.

Requires that the Secretary of Labor (in consultation with the Secretary of Education) develop and identify guidelines for qualifications of directors of state (and local) WDBs. Permits the state WDB to hire staff, using a portion of state formula grant funds or other non-federal sources.
### Current WIA Law

#### Title I—Workforce Investment Systems

**State WIB Functions**

Requires the WIB to develop the state plan, develop and continuously improve statewide workforce development activities, designate local areas, and prepare an annual report to the Secretary of Labor.

**State Plans**

Requires the submission of a five-year strategic plan including information on performance accountability, labor market conditions and strategies to deal with skills needs, local area designation, coordination of WIA partner programs, and a description of employment and training activities.

**State Unified Plan**

Allows states the option of submitting a unified plan, which must cover one or more of WIA Title I, WIA Title II, and activities authorized under the Carl D. Perkins Career and Technical Education Act of 2006. The unified plan may also cover activities authorized by other WIA partner programs. Requires a unified plan to include a description of methods used for joint planning and coordination and to be approved by the appropriate federal secretary with jurisdiction over programs included in the plan.

### Title I—System Alignment and Innovation

**Additional functions include requirements for the state WDB to develop recommendations to align core and non-core programs, to develop plans to remove barriers to coordination and non-duplication, to develop career pathways programs, to develop and expand industry or sector partnership initiatives, to identify regions for purposes of regional planning, to design and implement integrated data systems, and to develop and disseminate best practices.**

**State Unified Plan**

Requires states to submit a Unified State Plan (USP) to the Secretaries of Labor and Education every four years that covers the “core” programs—WIA state formula grant programs, adult education programs, the Employment Service, and vocational rehabilitation programs. The USP must be approved by the Secretaries of Labor and Education and USP must include, among other provisions:

- **strategic planning elements:** economic conditions of the state, a description of the workforce (including gaps between workforce and employer needs), workforce development activities, and a strategy for aligning core programs;

- **operational planning elements:** alignment of programs with WIA programs and other employment programs not covered under the USP, implementation of career pathways, provision of support services, integration of technology into service delivery, assistance to local WDBs and One-Stop partners, and assessment plans for measuring effectiveness of One-Stop programs.
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<th>Title I—System Alignment and Innovation</th>
<th>Title II—Workforce Investment and Related Activities</th>
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<tr>
<td>Local Workforce Investment Areas (LWIA)</td>
<td>Generally provides the governor with the authority to designate LWIAs after consultation with the state WIB and chief elected officials in local areas. LWIAs are designated based on local labor markets and factors such as the presence of education providers. Requires “automatic designation” of LWIAs for areas with a population of 500,000 or greater, with prior designation as a “rural concentrated employment program” grant recipient, and an area previously serving as a service delivery area under the Job Training Partnership Act (JTPA) in a state with a population of no more than 1.1 million and a population density greater than 900 persons per square mile. Also requires “temporary designation” for certain areas that served as service delivery areas under JTPA. In addition, allows for a governor to designate a state that was a single service delivery area under JTPA as a single LWIA. Allows states to require regional planning by local WIBs.</td>
<td>Changes LWIA to Local Workforce Development Areas (LWDA). Maintains similar criteria for designating LWDAs but changes provisions related to automatic designation of such areas to include LWDAs that were in existence under WIA and “performed successfully” and “sustained fiscal integrity.” Also permits a Governor to continue designation of states as single state areas if they were designated as such under WIA or to newly designate states as single state areas provided that no LWDA meeting requirements for automatic designation requests such. Requires states to identify regions within a state consisting of one or more local areas. For regions consisting of two or more local areas, state must require regional planning for service delivery.</td>
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<tr>
<td>Local Workforce Investment Boards</td>
<td>Current WIA Law</td>
<td>Title I—Workforce Investment Systems</td>
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<td>Requires local WIBs to include representatives of business in the local area, local educational entities, labor organizations, community-based organizations, economic development agencies, and each of the WIA partner programs. Requires that the majority of local WIB’s membership be business representatives and that the chairperson also be a representative of local business, and that the chief elected local official appoints local WIB members. Requires local WIBs to submit a local plan, select and oversee One-Stop operators and eligible training providers, develop a budget, oversee programs, negotiate local performance measures, assist in development of statewide employment statistics, and promote private sector employer participation in the local workforce system.</td>
<td>Changes LWIB to Local Workforce Development Boards (LWDB) and alters the LWDB membership requirements:</td>
<td>Maintains the business majority requirement of LWIB but adds a requirement that board members represent businesses that provide employment opportunities that provide workers with career pathways and provide high-quality training in in-demand sectors and occupations;</td>
<td>Requires that at least 20% of board represent the workforce, including labor organizations;</td>
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<td>Requires at least three members representing entities administering education and training activities (including apprenticeships);</td>
<td>Requires at least three members representing economic and community development entities (including the Employment Service and Vocational Rehabilitation).</td>
<td>Requires at least three members representing entities administering education and training activities (including apprenticeships);</td>
<td>Expands parameters of regional economic analysis that LWDB conducts; requires LWDB to lead efforts to engage local employers, to develop and expand career pathways programs, to identify and promote proven and promising practices in workforce development.</td>
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<td>Requires LWDB to establish at least three standing committees to address the one-stop system, youth services, and disability services.</td>
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<td>Requires LWDB to establish at least three standing committees to address the one-stop system, youth services, and disability services.</td>
<td>Permits the local WDB to hire staff, using a portion of state formula grant funds or other non-federal sources.</td>
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<tr>
<td>Permits the local WDB to hire staff, using a portion of state formula grant funds or other non-federal sources.</td>
<td>Changes planning period from five years to four years. The Local Plan must include a description of the economic conditions of the region, a description of the workforce (including gaps between workforce and employer needs), workforce development activities, and a strategy for aligning core programs and coordinating with non-core programs.</td>
<td>Changes planning period from five years to four years. The Local Plan must include a description of the economic conditions of the region, a description of the workforce (including gaps between workforce and employer needs), workforce development activities, and a strategy for aligning core programs and coordinating with non-core programs.</td>
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### Current WIA Law

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<tr>
<td><strong>Performance Accountability</strong></td>
<td>Requires core indicators of performance for Title I programs:</td>
<td>Creates six “primary indicators of performance” for individuals in activities funded by the WIA adult and dislocated worker formula grant programs, the Adult Education and Family Literacy Act, the Employment Service, and Vocational Rehabilitation:</td>
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<td>• Four “General Core Indicators of Performance” for adults, dislocated workers, and youth ages 19-21. For each group of participants, the indicators are entry into employment, retention in employment, earnings, and attainment of a credential.</td>
<td>• Entry into employment.</td>
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<td>• Three “Core Indicators for Eligible Youth” ages 14-18. These are attainment of basics skills, attainment of a secondary school diploma, and placement and retention in postsecondary education or employment.</td>
<td>• Retention in employment.</td>
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<td>• Two “Customer Satisfaction Indicators.” In addition to the Title I performance indicators, there are also separate indicators for other programs authorized or amended under WIA (the Adult Education and Family Literacy Act (Title II), the Employment Service, and Vocational Rehabilitation (Title IV)).</td>
<td>• Earnings.</td>
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<td>• Attainment of a postsecondary credential or secondary school diploma or equivalent.</td>
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<td>• Participation in and measurable skill gains toward education or training programs that lead to a recognized credential or employment.</td>
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<td>• Program effectiveness in serving employers.</td>
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<td>States may also require additional performance indicators.</td>
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<td>Establishes the use of a statistical model to adjust levels of performance based on actual economic conditions in a state and characteristics of the populations served.</td>
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<td>Requires that state performance reports include outcomes disaggregated by subpopulations served.</td>
</tr>
</tbody>
</table>
## Current WIA Law

### Title I—Workforce Investment Systems

**One-Stop Infrastructure Funding**

Requires the local WIBs to develop memoranda of understanding (MOU) between One-Stop partner programs on how the costs of services and the operating costs of the system will be funded.

**State Grant Allotment Formulas**

Funds for WIA Adult, Youth, and Dislocated Worker Activities are allocated to states by three different three-factor formulas. Each of the three programs has separate formulas based on each state’s relative share of the factors in the formula. WIA Adult activities is a three-factor formula based on unemployment in areas of substantial unemployment, excess unemployment, and disadvantaged adults. WIA Youth activities is a three-factor formula based on unemployment in areas of substantial unemployment, excess unemployment, and disadvantaged youth. WIA Dislocated Worker activities is a three-factor formula based on unemployment, excess unemployment, and long-term unemployment. Adult and Youth formulas have hold harmless (90% of previous fiscal year allotment percentage) and stop gain (130% of previous fiscal year allotment percentage) provisions that prevent large funding losses or gains from year to year. Provides for reallocation of state funds from each state in which the unobligated balance exceeds 20% of the prior year allotment amount.

## Title I—System Alignment and Innovation

### Title II—Workforce Investment and Related Activities

**S. 1356**

**Title I—System Alignment and Innovation**

**Title II—Workforce Investment and Related Activities**

**One-Stop Infrastructure Funding**

Allows Local Workforce Development Boards (LWDBs) to choose between two methods of funding the costs of infrastructure of One-Stop centers:

- Memoranda of understanding between the LWDB, chief elected local official, and One-Stop partner programs.
- State One-Stop Infrastructure Funding: the governor of each state may determine the infrastructure amounts based on the proportionate use of each partner program in each local One-Stop, subject to a cap of the funds provided for each program.

In the event that local areas are not able to develop a memorandum of understanding for infrastructure costs, the state funding mechanism automatically applies.

**State Grant Allotment Formulas**

Maintains three funding streams for formula grants but changes some of the formula factors and weights.

**WIA Youth Activities:**

- Civilian Labor Force Ages 16-21 (weight=1/3);
- Total Unemployed (weight=1/3); and
- Disadvantaged Youth Ages 16-21 (weight=1/3).

The definition of “disadvantaged youth” is changed to a person with an income of or in a family with an income of less than 150% of the federal poverty line.

**WIA Adult Activities:**

- Unemployed in Areas of Substantial Unemployment (weight=40%);
- Civilian Labor Force (weight=25%); and
- Disadvantaged Adults (weight=35%).

The definition of “disadvantaged adult” is changed to a person with an income of or in a family with an income of less than 150% of the federal poverty line.
<table>
<thead>
<tr>
<th>Provision</th>
<th>Current WIA Law</th>
<th>Title I—Workforce Investment Systems</th>
<th>Title I—System Alignment and Innovation</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Reserve</td>
<td>Governors may reserve up to 15% of WIA Adult, Dislocated Worker, and Youth Activities state formula grants to fund statewide activities. In addition, governors may reserve an additional 25% of WIA Dislocated Worker Activities state formula grant funds.</td>
<td>Maintains current law reserves.</td>
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</tr>
<tr>
<td>Reservations from Annual Appropriations</td>
<td>From Dislocated Worker Activities formula grant program, 20% is reserved for the National Reserve.</td>
<td>Maintains 20% reserve from Dislocated Worker formula grant program to fund the national dislocated worker activities including technical assistance and national grants.</td>
<td></td>
</tr>
<tr>
<td>Outlying Areas</td>
<td>From state formula grant allocation amounts, 0.25% is reserved for allocation to outlying areas.</td>
<td>Maintains reservation for outlying areas such that from state formula grant allocation amounts, 0.25% is reserved for allocation to outlying areas.</td>
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<tr>
<td>Employment and Training Activities</td>
<td>Allows and requires a range of employment and training services, including job search assistance, career counseling, occupational training, and on-the-job training.</td>
<td>For Youth Activities, splits the age eligibility into two groups: in-school youth must be 14-21 years old and out-of-school youth must be 16-24 years old. Legislation also changes minimum percentage of funding that must be spent on out-of-school youth from 30% to 75%. For Adult and Dislocated Worker Activities, the bill adds several new allowable statewide activities including developing and implementing industry sector strategies, career pathway programs, microenterprise programs, and business intermediary strategies.</td>
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<tr>
<td>Provision</td>
<td>Current WIA Law</td>
<td>Title I—System Alignment and Innovation</td>
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<tr>
<td><strong>Sequence of Services</strong></td>
<td>Requires that individuals follow a sequence of services, starting with “core” (e.g., job search), followed by “intensive” (e.g., career planning), and concluding in training. Service at one level is a prerequisite for service at the next level.</td>
<td>Also the bill adds a required activity for local areas to designate a dedicated business liaison to develop relationships and networks with local employers. The bill would add incumbent worker training and transitional jobs to the list of allowable training activities at the local level and raises the allowable wage reimbursement rate for on-the-job training from 50% to 75%. The bill adds a series of allowable local activities related to coordinating with non-WIA programs, developing and expanding sector strategies, collaborating with multiple employers to address skill gaps. Finally, the bill allows LWDBs to reserve up to 15% of funds for incumbent worker training and up to 10% of funds for transitional jobs.</td>
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<tr>
<td><strong>Job Corps</strong></td>
<td>Consists of residential centers throughout the country. The purpose of the program is to provide disadvantaged youth with the skills needed to obtain and hold a job, enter the Armed Forces, or enroll in advanced training or higher education. In addition to receiving academic and employment training, youth also engage in social and other services to promote their overall well-being.</td>
<td>Removes the sequences of services requirement and permits individuals to receive training without core or intensive services if a One-Stop operator determines the individual is ready and would benefit from training.</td>
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<td>Makes multiple changes to Job Corps, including eligibility criteria and performance measures for the program, among other changes: Adds a definition of homeless individuals, children, and youth for purposes of eligibility, and exempts veterans from the low-income eligibility criteria under certain circumstances; Prioritizes assignment of enrollees based on their type of career and technical education and training preferences; Enables individuals with disabilities or participants in national service programs to remain in the program for more than two years; Requires that the secretary consider the extent to which entities applying to operate a Job Corps center have demonstrated effectiveness in assisting individuals in achieving the primary indicators of performance for youth eligible under Youth Activities, as described in Section 131(b)(2)(A)(ii); Provides that enrollees in Civilian Conservation Centers may provide assistance in addressing national, state, and local disasters, under selected conditions;</td>
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<tr>
<td>Provision</td>
<td>Current WIA Law</td>
<td>Title I—System Alignment and Innovation</td>
<td>Title II—Workforce Investment and Related Activities</td>
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<td></td>
<td>Provides transition pay for graduates that is incentive-based and discontinues transition pay for former enrollees;</td>
<td>Provides transition pay for graduates that is incentive-based and discontinues transition pay for former enrollees;</td>
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<td></td>
<td>Strikes reference to a designated business and community liaison for each center, and requires each center to reach out to additional partners,</td>
<td>Strikes reference to a designated business and community liaison for each center, and requires each center to reach out to additional partners, including relevant apprenticeship programs and youth programs, labor-management organizations, and community-based organizations, among others;</td>
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<tr>
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<td>including relevant apprenticeship programs and youth programs, labor-management organizations, and community-based organizations, among others;</td>
<td>Enables the industry council to include, or otherwise consult with, business owners outside of the local area who are likely to hire a “significant number” of enrollees, and to include local and state board representatives, under certain circumstances;</td>
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<td></td>
<td>Requires the secretary to establish performance measures for center operators that are based on the primary indicators of performance for youth eligible under Youth Activities, as described in Section 131; and</td>
<td>Requires the secretary to establish performance measures for center operators that are based on the primary indicators of performance for youth eligible under Youth Activities, as described in Section 131; and</td>
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<tr>
<td></td>
<td>Requires the secretary to report on performance of each center and service provider, and the state of Job Corps buildings and facilities.</td>
<td>Requires the secretary to report on performance of each center and service provider, and the state of Job Corps buildings and facilities.</td>
<td></td>
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</tbody>
</table>
In addition to state formula grants and Job Corps, WIA authorizes a number of competitive grant-based programs to provide employment and training services to special populations. These include programs for Native Americans, migrant and seasonal farmworkers, veterans, and various demonstration projects.

The bill authorizes the existing WIA national programs and authorizes “such sums as may be necessary” to fund two types of innovation grants:

- **Workforce Innovation and Replication Grants (WIRG).** The WIRG program provides competitive grants to states and localities to develop and implement innovative strategies to align programs and create coordination in workforce strategies.

- **Youth Innovation and Replication Grants (YIRG).** The YIRG program provides competitive grants to states and localities to develop and implement strategies and programs (e.g., career pathways) to improve education and employment outcomes for youth.

In addition, the legislation amends the following national programs:

- **Evaluations and Research.** The bill consolidates the current Evaluations program with the current Demonstration/Pilot program. This legislation expands the list of suggested projects to emphasize collaborative partnerships across institutions, strategies to improve outcomes for individuals with barriers to employment, net impact studies on effectiveness of WIA programs, studies to assess effectiveness of WIA in meeting business needs, studies on performance indicators, integrated workforce training programs for adults learning the English language, and community-based job training programs.

- **National Dislocated Worker Grants (NDWG).** The bill replaces the current National Emergency Grant program with the NDWG program. Funding for this program, which provides employment and training assistance to workers affected by major economic dislocations, comes from a 20% reservation from the WIA Dislocated Worker appropriation.

**Source:** Analysis of P.L. 105-220 and S. 1356, the Workforce Investment Act of 2013, as ordered reported by the Senate HELP Committee, July 31, 2013.


b. The 15% reserve is the WIA statutory limit. However, in the FY2011, FY2012, and FY2013 appropriations acts, the reserve was lowered to 5%.
Title III: Adult Education and Family Literacy Act

The Adult Education and Family Literacy Act (AEFLA) is the primary federal legislation that supports basic education for out-of-school adults. Commonly called “adult education,” the programs funded by AEFLA typically support educational services at the secondary level and below, as well as English language training. Approximately 95% of AEFLA funding is allotted to the states via formula grants. States are required to subgrant the large majority of these grants to local providers that deliver educational services.

Authorization and Set-Asides

Authorization of appropriations for AEFLA expired after FY2003, but the authorized programs continued under the appropriations process. Under current law, approximately 5% of the AEFLA appropriation is set aside for national programs and incentive grants.

S. 1356 would authorize such sums as necessary for FY2014 through FY2018. The bill would maintain a set-aside of 2% for National Activities and would repeal the other set-asides. The remaining funds would be allotted to states via formula grants.

Performance Accountability System

Under current law, AEFLA performance metrics are specific to the program. AEFLA grantees report educational progress for all participants and additional outcomes (such as entering employment or the receipt of a secondary credential) for certain subpopulations of participants.

S. 1356 would replace the current AEFLA-specific performance accountability metrics with new common metrics across all titles of S. 1356 programs. These metrics would focus on employment, earnings, and credential attainment. Reporting participants’ educational progress not resulting in the attainment of a credential would no longer be required.

State and Local Activities

S. 1356 would amend AEFLA to increase the alignment of adult education with other employment and training activities. When awarding subgrants to localities, it would require states to consider a local provider’s ability to meet the new employment and credential-oriented performance metrics as well as the provider’s capacity to provide integrated education and training. S. 1356 would also increase the portion of state grant funds that may be used for state leadership activities (SLA) and would require states to use SLA funding to develop or enhance the alignment of adult education activities with other core programs of One-Stop partners.

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7 This section was prepared by Benjamin Collins.
8 AEFLA was created by Title II of WIA. It would be reauthorized by Title III of S. 1356.
9 The District of Columbia and outlying areas are also eligible for grants.
10 Annual appropriations do not always follow these statutory criteria.
S. 1356 would create a new set-aside of 12% of state grant funds for English Language-Civics grants. These grants would be allotted to states using a formula that considers recent levels of authorized immigration to the state. While the codification of this set-aside would be new, appropriations legislation has set aside a similar portion of AEFLA funds for this purpose since FY2000.
### Table 2. Major Provisions of Title II of WIA and Title III of S. 1356

<table>
<thead>
<tr>
<th>Provision</th>
<th>Current WIA Law</th>
<th>S. 1356</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authorization and Funding</td>
<td>Authorization expired after FY2003 but program has continued under annual appropriations. Final FY2013 appropriation was $574.7 million.</td>
<td>Authorizes such sums as necessary for each of FY2014 through FY2018.</td>
</tr>
<tr>
<td>Purposes of Adult Education</td>
<td>Creates a partnership among the federal government, states, and localities to: (1) assist adults in becoming literate and developing the skills necessary for employment and self-sufficiency; (2) assist adults in obtaining the skills necessary to be full partners in their children’s education; or (3) assist adults in the completion of a secondary school education.</td>
<td>Maintains existing provisions and: Expands purpose (2) to include improvements in economic opportunities for the family. Expands purpose (3) to include the transition to postsecondary education and training. Adds fourth purpose to assist immigrants and English language learners in improving literacy and other academic skills, and acquiring an understanding of American government and citizenship.</td>
</tr>
<tr>
<td>Reservations from Annual Appropriations</td>
<td>Reserves 1.5% for National Leadership Activities, not to exceed $8,000,000. Reserves 1.5% for National Institute for Literacy, (NIFL; not funded since FY2009; described below), not to exceed $8,000,000. Reserves 1.72% for DOL incentive grants.</td>
<td>Reserves 2% (not to exceed $15 million) for modified version of National Leadership Activities (NLA; described in “National Leadership Activities” row later in this table). Reserves 12% of funds remaining after NLA set-aside for English Literacy and Civics programs (described in “English Literacy and Civics” row later in this table). Repeals reservation for NIFL. Repeals reservation for DOL Incentive Grants.</td>
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### Current WIA Law

<table>
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<th>Provision</th>
<th>Title II—Adult Education and Literacy</th>
<th>Title III—Adult Education and Literacy</th>
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<tbody>
<tr>
<td><strong>Allotments to States</strong></td>
<td>Initially allots $250,000 to each state and $100,000 to each outlying area.</td>
<td>Does not substantially change initial allotment level, allotment formula factors, or hold harmless provision from current law.</td>
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<td>Allots remainder of funds on the basis of a state’s share of the national population that is (1) over the age of 16, (2) beyond the state’s age for compulsory education, (3) not enrolled in school, and (4) lacking a secondary school diploma or equivalent.</td>
<td>Adds additional provision specifying that if a state only receives an initial allotment, its hold harmless increases to 100% of prior year’s allotment.</td>
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<td>Establishes a hold harmless provision which, presuming availability of funds, specifies that no state may be allotted less than 90% of what it was allotted in the prior fiscal year.</td>
<td>Adds “Additional Assistance” provisions in which funding from National Leadership Activities reservation can be reallocated to states that are allotted a grant that is less than the grant the state would have been allotted under the formula “as in effect on September 30, 2003.”</td>
</tr>
<tr>
<td><strong>Performance Accountability</strong></td>
<td>Establishes a performance accountability system that considers agencies’ performance regarding both core indicators (e.g., educational progress, retention of employment) as well as any additional indicators specified in the state plan.</td>
<td>Requires GAO to conduct a study of the formula and develop recommendations.</td>
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<td>Requires each state to submit an annual report on the progress and performance of agencies that received funding under this title.</td>
<td>Repeals current performance accountability standards, metrics, and reporting system. Replaces them with common indicators that are described in the “Performance Accountability” row of Table 1.</td>
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<td>New metrics are more employment-oriented than current law. Metrics related to educational progress are eliminated.</td>
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Table 1: Performance Accountability Standards and Metrics

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
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</thead>
<tbody>
<tr>
<td><strong>Employment</strong></td>
<td>10%</td>
<td>12%</td>
<td>14%</td>
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<tr>
<td><strong>Educational Progress</strong></td>
<td>5%</td>
<td>3%</td>
<td>2%</td>
</tr>
<tr>
<td><strong>Retention</strong></td>
<td>80%</td>
<td>85%</td>
<td>90%</td>
</tr>
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## Current WIA Law

<table>
<thead>
<tr>
<th>Provision</th>
<th>Title II—Adult Education and Literacy</th>
<th>Title III—Adult Education and Literacy</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Plan Requirements</td>
<td>Requires five-year plans from each state agency.</td>
<td>Requires that all states that receive AEFLA grants must have a unified state plan or combined state plan approved by the Secretaries of Labor and Education.</td>
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<td>Requires plans to include 12 discrete components including how the state will assess needs, including the specialized needs of specific populations; what services the state will provide; and how those services will be monitored and evaluated.</td>
<td>Unified State Plan provisions are described Section 112 of the bill and in the “Unified State Plan” row of Table 1.</td>
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<tr>
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<td>States must describe how their adult education activities will be integrated with other career development activities in the state. Plans must also specify how the state agency will conduct a public participation and comment process.</td>
<td>Requirements specific to AEFLA are in section 112(b)(2)(D)(ii):</td>
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<td>• How the state adult education agency will align its content standards with the state’s adopted standards for college and career readiness;</td>
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<td>• How criteria for awarding local grants (described in “Criteria for Awarding Grants for Local Activities” row of this table) will be applied in allocating funding for (1) required local activities; (2) programs for correctional education; (3) integrated education and training;</td>
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<td>• How the state will use funds to carry out State Leadership Activities; and</td>
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<td>• How the eligible agency will provide technical assistance, assess, providers, and improve provider performance.</td>
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<tr>
<td>Distribution of State Grant Funds and State Matching Requirement</td>
<td>Requires that at least 82.5% of state grant be awarded to local service providers.</td>
<td>Reduces required allocation to local activities to 80% of state grant.</td>
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<td></td>
<td>Limits funding for State Leadership Activities to 12.5% of state grant allotment.</td>
<td>Increases maximum allocation to state leadership activities to 15% of state grant.</td>
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<td>Limits administrative costs to 5% of state allotment or $65,000, whichever is greater.</td>
<td>Revises administrative costs requirements to no more than 5% of state allotment or $85,000, whichever is greater.</td>
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<td>States must provide a match so that federal funds account for no more than 75% of the funding for adult education activities.</td>
<td>Maintains matching requirement.</td>
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<td>Establishes Maintenance of Effort (MOE) requirement in which state agency’s aggregate fiscal effort per student must not be less than 90% of the prior fiscal year.</td>
<td>Maintains MOE requirement.</td>
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<tr>
<td>Provision</td>
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| Characteristics of State Leadership Activities | Establishes 11 allowable state leadership activities (SLAs) related to program and personnel development, program monitoring and evaluation, and collaboration with other stakeholders such as employers and other educational entities. | Divides SLAs into required and permissible activities. Required activities:  
• alignment of adult education activities with other one-stop partners, including career pathways and employment and training services;  
• establishment or operation of professional development programs for adult education personnel;  
• technical assistance, including the dissemination of best practices regarding instructional and programmatic practices, providers’ role within with one-stop partnerships, and the use of technology; and  
• monitoring and evaluation of adult education activities. Permissible activities include:  
• curriculum development and dissemination, including curriculum that incorporates linkages with employment or postsecondary training;  
• the development of models for integrated education and occupational training; and  
• other activities of statewide significance that promote the purpose of AEFLA. |
| Requirements for Recipients of Grants and Contracts for Local Activities | Defines eligible grant recipients as entities that provide (1) adult education and literacy services, (2) family literacy services, or (3) English literacy programs. Specifies that all eligible local providers have “direct and equitable access to apply for grants” from states. | Requires that local grant recipients provide “adult education and literacy activities,” presumably as defined by section 303(2) of the act. This amended definition includes workplace adult education, workforce preparation, and integrated education and training. Instructs GAO to conduct a study that evaluates states’ allocation processes and adherence to the “direct and equitable access” policy. |
### Current WIA Law

#### Criteria for Awarding Grants for Local Activities
- Lists 12 considerations largely related to program performance, including past performance, existing capacity, and accommodation of high-need populations.

#### Application Process for Local Providers
- Providers must submit an application including:
  1. a description of how funds will be spent; and
  2. a description of any cooperative agreements the eligible provider has with other entities.

#### Programs for Corrections Education and Other Institutionalized Individuals (subset of Local Activities)
- Permits states to use up to 10% of the funds allocated to local activities for programs that target individuals in corrections facilities or similar institutions.
- Program content may include basic education, English literacy, and secondary school coursework.

### S. 1356

#### Title II—Adult Education and Literacy
- Maintains “considerations” language, but modifies considerations themselves.
  - New or modified considerations include:
    - the degree to which the provider would be responsive to regional needs in local plan under section 118 (see “Local Plans” row in Table 1);
    - considerations now point to performance metrics set by section 131 of WIA rather than AEFLA-specific metrics;
    - now considers local alignment with other services provided under WIA by One-Stop providers;
    - emphasis on adult education that is part of integrated employment training or preparation for postsecondary education; and
    - how well providers can serve special populations such as English learners or individuals with disabilities.

#### Title III—Adult Education and Literacy
- Maintains existing provisions and requires applicants to describe:
  - how services will be aligned with providers of other WIA services;
  - how the provider will meet the performance accountability requirements under section 131; and
  - how the provider will address the considerations described in the “Criteria for Awarding Grants for Local Activities” row.

- Increases maximum allocation to corrections education to 25% of funds allocated to local activities.
- Expands permissible program content to include employment-related education and re-entry programs with the goal of reducing recidivism among exiting prisoners.
- Requires new annual report on progress related to services under this section, including the relative rate of recidivism.
<table>
<thead>
<tr>
<th>Provision</th>
<th>Title II—Adult Education and Literacy</th>
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<tr>
<td><strong>National Leadership Activities (NLA)</strong></td>
<td>Establishes that the Department of Education will provide technical assistance to service providers such as assistance in developing performance measures; assistance related to professional development activities; and assistance in developing distance learning programs. Provides funding for activities related to research and the recognition and dissemination of best practices in the adult education field. Several specific research objectives related to adult education are specified in statute. NLA may be conducted by the Department of Education or by a grantee.</td>
<td>Divides NLA into required and allowable activities. Required activities are • assistance to states to meet performance measures in Section 131; • at the request of a state, assistance in using performance measures for the improvement of adult education and literacy activities; and • carrying out research on effective adult education activities as well as estimating the number of adults functioning at the lowest levels of literacy. Allowable activities include • technical assistance related to developing adult education personnel, distance education, and addressing digital literacy needs; • grants to national, regional, or local networks to assist those networks in building capacity to better meet performance requirements under Section 131; • research and evaluation activities; and • demonstration programs. Eliminates NIFL.</td>
</tr>
<tr>
<td><strong>National Institute for Literacy (NIFL)</strong></td>
<td>Establishes an interagency cooperative effort between DOL, the Department of Education, and the Department of Health and Human Services. Duties include maintaining a database of information related to literacy programs; coordinating support for literacy initiatives at the federal, state, and local levels; coordinating support for reliable and replicable research related to literacy; providing technical assistance to federal, state, and local governments on literacy-related issues; and advising the federal government on relevant issues.</td>
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<tr>
<th>Provision</th>
<th>Current WIA Law</th>
<th>S. 1356</th>
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</thead>
<tbody>
<tr>
<td>English Literacy and Civics</td>
<td>No provisions, included in appropriations legislation since FY2000.</td>
<td>Funded by reservation described in “Reservations from Annual Appropriations” row.</td>
</tr>
</tbody>
</table>

Funds are allotted to the states based on formula that considers each state’s share of “immigrants admitted for legal permanent residence” according to the Office of Immigration Statistics of Department of Homeland Security:

- 65% of funds are allotted based on the state’s share of immigrants during the past 10 years; and
- 35% of funds are allotted based on the state’s share of immigrants during the past three years.

Minimum grant is $60,000.

Outlying areas are not eligible.

The formula follows the formula that has typically allotted EL-Civics funds in appropriations legislation.

*Source:* Analysis of P.L. 105-220 and S. 1356, the Workforce Investment Act of 2013, as ordered reported by the Senate HELP Committee, July 31, 2013.
Title IV: Amendments to the Wagner-Peyser Act\textsuperscript{11}

Title III of the Workforce Investment Act—Workforce Investment-Related Activities—makes amendments to the Wagner-Peyser Act of 1933 (29 U.S.C. 49 \textit{et seq.}), which authorizes the Employment Service (ES). The ES is the central component of most states’ One-Stop delivery systems, as ES services are universally accessible to job seekers and employers and ES offices may not exist outside of the One-Stop delivery system. ES is one of the required partners in the One-Stop delivery system. Its central mission is to facilitate the match between individuals seeking work and employers seeking workers. It has been a central component of the workforce development system through WIA. Title III adds Section 15 (“Employment Statistics”) to Wagner-Peyser, which requires the Secretary of Labor to develop, provide, and improve various types of labor market information.

S. 1356 would maintain the ES system, while making some changes and additions. These would include

- required colocation of ES offices with One-Stop centers;
- creation of a competitive grant pilot program for ES agencies to enhance professional development of ES staff; and
- establishment of a Workforce Information Advisory Council to meet with the Secretary of Labor at least two times a year for the purpose of evaluating and improving the national labor market information system.

\textsuperscript{11} This section was prepared by David Bradley.
<table>
<thead>
<tr>
<th>Provision</th>
<th>Current WIA Law</th>
<th>S. 1356</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authorization and Funding Levels</td>
<td>Authorizes appropriations for Wagner-Peyser programs at “such sums as may be necessary” for each of FY1999-FY2004.</td>
<td>Authorizes Wagner-Peyser programs at “such sums as may be necessary” for each of FY2014-FY2018.</td>
</tr>
<tr>
<td>Service Delivery</td>
<td>Requires Employment Service to be a required One-Stop partner but does not require collocation.</td>
<td>Requires collocation of Employment Service offices and One-Stop centers.</td>
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<td></td>
<td>From total amount appropriated, requires allotments to Guam and the Virgin Islands first.</td>
<td>Legislation authorizes Secretary of Labor to assist states in developing national electronic tools to increase access to workforce information at One-Stop centers.</td>
</tr>
<tr>
<td>Outlying Areas</td>
<td></td>
<td>Clarifies that Guam and the Virgin Islands are not defined as “states” for fund allotment purposes.</td>
</tr>
<tr>
<td>Provision</td>
<td>Current WIA Law</td>
<td>S. 1356</td>
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<tr>
<td><strong>Title III—Workforce Investment-Related Activities</strong></td>
<td>Amends Wagner-Peyser Act to include the development and implementation of a system of labor market information.</td>
<td>Adds as an allowable use of funds the provision to unemployment insurance claimants of information about and referrals to federal education and training resources including, but not limited to, WIA resources, Pell Grants, and higher education assistance in general.</td>
</tr>
<tr>
<td><strong>Use of Funds</strong></td>
<td></td>
<td>Adds a “Pilot Projects” provision, authorized to be funded with “such sums as may be necessary,” that would require the Secretary of Labor to make up to five competitive grants per year to state ES offices to carry out pilot projects that:</td>
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<td>Provide a broad range of career services;</td>
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<td>Strengthen the capacity of state agencies to identify job openings through technology and intensive outreach;</td>
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<td>Provide professional development to ES staff;</td>
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<td>Demonstrate the efficacy and value of professional credentialing for ES counselors;</td>
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<td>Implement strategies for ES staff to provide technical assistance to other providers of workforce development;</td>
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<td>and</td>
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<td>Integrate counseling and technology in providing employment services.</td>
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<td></td>
<td>Establishes a new Workforce Information Advisory Council with which the Secretary of Labor for Employment and Training must consult formally at least twice annually for the purpose of evaluating and improving the nationwide labor market information system. Members of the Council include representatives of state agencies responsible for workforce investment, state labor market information directors, eligible training providers, economic development entities, business, labor, WDBs, and research entities.</td>
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<tr>
<td>Provision</td>
<td>Current WIA Law</td>
<td>S. 1356</td>
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<tr>
<td><strong>Performance Accountability</strong></td>
<td>Authorizes the Secretary of Labor to establish performance standards.</td>
<td>Creates six “primary indicators of performance” for individuals in activities funded by the WIA adult and dislocated worker formula grant programs, the Adult Education and Family Literacy Act, the Employment Service, and Vocational Rehabilitation:</td>
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<td>Entry into employment.</td>
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<td>Retention in employment.</td>
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<td></td>
<td></td>
<td>Earnings.</td>
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<td>Attainment of a postsecondary credential or secondary school diploma or equivalent.</td>
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<td></td>
<td>Participation in and measurable skill gains toward education or training programs that leads to a recognized credential or employment.</td>
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<td></td>
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<td>Program effectiveness in serving employers.</td>
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</tbody>
</table>

**Source:** Analysis of P.L. 105-220 and S. 1356, the Workforce Investment Act of 2013, as ordered reported by the Senate HELP Committee, July 31, 2013.
Title V: Amendments to the Rehabilitation Act of 1973

The Rehabilitation Act of 1973, as amended, authorizes programs that support the employment of individuals with disabilities. The largest of these programs is Vocational Rehabilitation (VR) grants to states, which provides formula funding to state agencies that provide customized employment services to eligible individuals. Other programs support grants or independent agencies that relate to the employment or independent living of individuals with disabilities.

Authorizations of Appropriations

Title V of S. 1356 would authorize such sums as necessary from FY2014 through FY2018 for programs authorized under the Rehabilitation Act. In FY2013, approximately $3.4 billion was appropriated under the Rehabilitation Act, of which about $3.1 billion was allotted to VR grants to states.

Revised Purposes and Proposed Programmatic Changes

S. 1356 would insert three new purposes into Section 2 of the Rehabilitation Act. Programmatic changes that would reflect these added themes are included throughout the legislation:

- **Emphasis on competitive integrated employment for individuals with disabilities.** The bill would insert a new definition of “competitive integrated employment” into the general provisions of the Rehabilitation Act. Language would be revised throughout the act to emphasize competitive integrated employment rather than simply employment for program participants. The bill would also add conditions to the subminimum wage provisions of the Fair Labor Standards Act that would increase the regulation of employers certified to pay subminimum wages and encourage the transition of workers employed under the subminimum wage provisions to competitive integrated employment.

- **Increasing employment opportunities for individuals with disabilities by encouraging involvement and input from employers.** S. 1356 would amend the Rehabilitation Act to allow states to spend VR funds on outreach, technical assistance, and other services to employers that provide opportunities for VR clients. State plans would be required to describe how agencies will collaborate with employers to develop community-based competitive integrated employment. The bill would reauthorize Projects with Industry competitive grants that provide funding for projects that involve private businesses in developing employment for individuals with disabilities. S. 1356 would also create a public education campaign about hiring individuals with disabilities.

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12 This section was prepared by Benjamin Collins.

13 The act defines competitive integrated employment as employment performed by an employee with a disability that is (1) compensated at rate that is at least minimum wage and comparable to similarly situated employees who do not have a disability and (2) involves interaction with non-supervisory employees who are not employees with disabilities.
• Emphasis on services to youth with disabilities and students with disabilities to assist these populations in transitioning from secondary school to postsecondary education or competitive integrated employment. S. 1356 would require each state to reserve 15% of state VR grants for pre-employment transition services for this population. It would also reserve 50% of supported employment state grant funding for services to youth with disabilities. The bill would create pre-employment transition coordinators at the national and local levels to coordinate services for youth with disabilities transitioning to the workforce or postsecondary education.

Administrative Changes and New Administrative Entities

Under current law, most programs authorized by the Rehabilitation Act are administered by the Rehabilitation Services Administration (RSA) of the Department of Education (ED).14 S. 1356 would move the act’s administration to newly created entities in other departments: activities under Titles I, III, and VI of the Rehabilitation Act would move to the Department of Labor, while activities under Title VII would move to the Department of Health and Human Services.

Note on Terminology

This section discusses Title V of the Workforce Investment Act of 2013. This one title of S. 1356 would amend each of the seven titles of the Rehabilitation Act and would add an eighth. Unless specified otherwise, when the accompanying table refers to titles of law, it is referring to the titles of the Rehabilitation Act, not titles of WIA.

14 Titles IV and V of the Rehabilitation Act are administered by other entities.
<table>
<thead>
<tr>
<th>Provision</th>
<th>Current WIA Law</th>
<th>S. 1356</th>
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<tr>
<td>Purpose</td>
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<td></td>
<td>Establishes the purposes of the Rehabilitation Act as</td>
<td>Maintains existing purposes and adds</td>
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<td>(1) to empower individuals with disabilities to maximize employment, economic self-sufficiency, independence, and inclusion and integration into society; and</td>
<td>(3) to maximize opportunities for competitive integrated employment for individuals with disabilities, including individuals with the most significant disabilities;</td>
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<td>(2) to ensure that the Federal Government plays a leadership role in promoting the employment and independent living of individuals with disabilities.</td>
<td>(4) to increase employment opportunities through input from employers and vocational rehabilitation (VR) service providers; and</td>
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<td>(5) to ensure, to the extent possible, that youth with disabilities and students with disabilities continue their education or are employed in competitive integrated employment.</td>
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<td>Provision</td>
<td>Current WIA Law</td>
<td>S. 1356</td>
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<td></td>
<td>Title IV—Rehabilitation Act Amendments of 1998</td>
<td>Title V—Amendments to the Rehabilitation Act of 1973</td>
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<tr>
<td>Selected New Definitions</td>
<td>Not applicable</td>
<td>Adds the following definitions:</td>
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<td>Competitive integrated employment: employment performed by an individual with a disability that is (1) compensated at rate that is at least minimum wage and comparable to similarly situated employees who are not individuals with disabilities and (2) involves interaction with other employees (excluding supervisors) who are not individuals with disabilities.</td>
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<td>Pre-employment transition service: a coordinated set of activities for a student with a disability that promotes movement from school to post-school activities.</td>
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<td>Supported employment: competitive integrated employment, including customized employment, for individuals who need extended support services to perform the work involved.</td>
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<td>Student with a disability: an individual with a disability who attends an elementary school, secondary school, or an institution of higher education, and is eligible for and is either (1) receiving special education or related services under part B of the Individuals with Disabilities Education Act or (2) an individual with a disability as defined by section 504 of the Rehabilitation Act.</td>
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<td>Youth with a disability: an individual with a disability who is at least 14 and not more than 25 years of age.</td>
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<tr>
<td>Administration</td>
<td>States that, except for Titles IV and V of the Rehabilitation Act, all programs authorized by the Rehabilitation Act are administered by the Rehabilitation Services Administration (RSA) of the Department of Education (ED).</td>
<td>Shifts RSA-administered programs to new entities in DOL and the Department of Health and Human Services (HHS). Additional information on each program’s administration is in each program’s section of this table.</td>
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<td>Provision</td>
<td>Current WIA Law</td>
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<tr>
<td><strong>Funding for Minority Entities</strong></td>
<td>Reserves 1% of funds appropriated under Titles II, III, VI, and VII for awards to either (1) minority entities or Indian tribes to carry out activities under those titles or (2) public or nonprofit entities that provide outreach and technical assistance to minority entities or Indian tribes to promote their participation in activities funded by the Rehabilitation Act.</td>
<td>Increases reservation to 2%.</td>
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<tr>
<td><strong>Title I: Vocational Rehabilitation Services</strong></td>
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<tr>
<td><strong>Administering Agency and Head Administrator</strong></td>
<td>Specifies that VR grants are administered by RSA within ED.</td>
<td>Moves the administration of VR state grants to the Disability Employment Services and Supports Administration (DESSA) within the Office of Disability Employment Policy, Services, and Supports (ODEPSS) within DOL. Both DESSA and ODEPSS are created by this act.</td>
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<td>Specifies that the head administrator at RSA is a Commissioner who is appointed by the President and confirmed by the Senate.</td>
<td>Specifies that the head administrator of DESSA is a commissioner who is appointed by the President and confirmed by the Senate.</td>
</tr>
<tr>
<td><strong>Authorization for Appropriations and Funding</strong></td>
<td>Authorizes appropriations through FY2003.</td>
<td>Authorizes such sums as necessary for FY2014 through FY2018.</td>
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<td>Specifies that each year’s appropriation will be at least equal to the prior year’s appropriation plus an increase equal to inflation.</td>
<td>Maintains current law regarding annual inflation adjustment and automatic reauthorization provisions.</td>
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<td>States that in the absence of congressional action, the program will automatically be reauthorized for one year and that the year’s appropriation will be equal to the prior year’s appropriation plus an increase equal to inflation.</td>
<td>Modifies reservation for AIVRS to not less than 1.23% and not more than 1.5% and specifies that minimum percentage shall increase by 0.01 percentage points for each succeeding fiscal year after FY2014.</td>
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<td>Reserves between 1.0% and 1.5% of total appropriation for American Indian Vocational Rehabilitation Services (AIVRS).</td>
<td>Creates new reservation of $5 million for competitive grants for Transition Technical Assistance, Demonstration Projects, Dissemination of Information, and Implementation of Evidence-Based Research. This grant is created by S. 1356 and discussed in the “Demonstration and Training” row of this table.</td>
</tr>
<tr>
<td>Provision</td>
<td>Current WIA Law</td>
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| **State Allotments** | Appropriation is allotted to states based on a formula that is positively correlated with the state’s population and VR allotment in 1978 and negatively correlated with the state's per capita personal income.  
The minimum allotment for each state is one-third of 1% of the total appropriation. (Does not apply to territories other than Puerto Rico.)  
States must match federal funds so that federal allotments constitute no more than 78.7% of each state agency's VR funding. | Does not change formula factors, formula weights, minimum grants, or matching requirements.  
Adds new provision that each state must reserve 15% of its funds for transition services to assist students with disabilities and youth with disabilities, including pre-employment transition services (discussed in “Provision of Pre-Employment Transition Services” row.) |
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<tr>
<th>Provision</th>
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</table>
| **State Plan**     | Requires states to submit a state plan to RSA. The plan remains in effect until the state determines changes to be necessary or until a change in federal law, regulations, or a court decision requires a change. Requires that state plan specifies Designated State Unit (DSU) that will provide VR services. Requires states to provide assurance that the DSU will submit reports regarding applicants for and eligible individuals receiving VR services. Requires VR agency to establish coordination with state workforce system, state entity responsible for the public education of students with disabilities, and the statewide independent living council. | Requires state VR plan to be part of a unified state plan or a combined state plan as described in Title I of WIA 2013 and the “Unified State Plan” row in Table 1. Title V of S. 1356 further specifies additional requirements for the VR portion of the unified state plan or combined state plan:  
  - Adds additional detail on the characteristics of the DSU and establishes new qualification criteria for the DSU’s personnel.  
  - Expands reporting requirements related to youth with disabilities, transition services, interaction between VR agency and one-stops, and other issues.  
  - Adds new provisions expanding required coordination to include state health care and assistive technology agencies. Plans must also describe how state VR agency will collaborate with employers and Ticket to Work under the Social Security Administration.  
  - Adds requirement that DSUs describe strategies to serve students with disabilities. |
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<tr>
<td><strong>VR Client Eligibility Determination</strong></td>
<td>States that an individual with a qualifying disability and a need for rehabilitation services is presumed eligible for VR services unless the DSU can demonstrate “clear and convincing evidence” that the individual is incapable of benefiting from VR services in term of an employment outcome.</td>
<td>Adds language specifying that supported employment is an eligible employment outcome.</td>
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<td>Specifies that before determining that an individual is unable to benefit from services, the DSU shall provide the individual with the opportunity to try different employment experiences, including supported employment.</td>
<td>Specifies that determinations of ineligibility must be made on an individual basis and shall not be based on assumptions about broad categories of disabilities.</td>
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<td></td>
<td>Specifies that determinations of ineligibility must be made on an individual basis and shall not be based on assumptions about broad categories of disabilities.</td>
<td>Further specifies that VR participants who are also entitled to benefits under Supplemental Security Income (SSI) or Social Security Disability Insurance (SSDI) be provided with information on benefits associated with these programs, including medical benefits and the Ticket to Work program.</td>
</tr>
<tr>
<td><strong>Development of Individualized Plan for Employment and Related Information</strong></td>
<td>Requires eligible participants to develop an Individualized Plan for Employment (IPE) that includes a description of a specific employment outcome that is chosen by the participant, a description of the specific services that are needed to achieve that outcome, and timelines for the provision of the services and the achievement of the employment outcome.</td>
<td>Specifies that an IPE must be completed as soon as possible, but no later than 90 days after the determination of eligibility, unless the DSU and eligible individual agree to an extension.</td>
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<td>Requires both the participant and a qualified VR counselor employed by the DSU to be signatories on the final IPE.</td>
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<td>Does not specify the deadline associated with the development of an IPE after a determination of eligibility.</td>
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### Current WIA Law

#### Title IV—Rehabilitation Act Amendments of 1998

**Required Pre-Employment Transition Services**
- Not specified

**State Rehabilitation Council (SRC)**
- Establishes SRC to review and advise the DSU regarding performance of its responsibilities under the Rehabilitation Act.
- Specifies SRC membership, including representatives from disability-related state agencies; business and labor; and disability advocacy groups.

### S. 1356

#### Title V—Amendments to the Rehabilitation Act of 1973

- Adds section 114 to the Rehabilitation Act that specifies that each state shall provide, in collaboration with local educational agencies, pre-employment transition services to improve the transition from school to postsecondary education, credentialing programs, competitive integrated employment, and independent living in communities. These services are funded by the 15% reservation described in the “State Allotments” row of this table.

- Creates new personnel positions at the local and national levels:
  - Establishes that each local office of a DSU must designate a staff member to act as **Local Pre-Employment Transition Coordinator** to coordinate and carry out pre-employment transition services in coordination with schools, workforce systems, and individual students.
  - Establishes that ED, DOL, and HHS shall each designate a staff member to act as a **National Pre-Employment Transition Coordinator**. These staff shall work cooperatively and with other federal agencies to develop and coordinate agency policies related to pre-employment transition services and employment opportunities for students with disabilities.

- For states with at least one project funded under the American Indian Vocational Rehabilitation Services provisions of the Rehabilitation Act, adds at least one representative from those projects to the SRC.

- Adds to the SRC the director of the state’s program of technology related assistance funded under section 4 of the Assistive Technology Act.
<table>
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<tbody>
<tr>
<td><strong>Evaluation Standards and Performance Indicators</strong></td>
<td>Requires the RSA Commissioner to develop standards and indicators with input from state VR agencies and other interested parties. Proposed standards and indicators are published in the Federal Register prior to enactment.</td>
<td>Establishes that standards and indicators will be subject to the performance accountability provisions described in section 131(b) of S. 1356 and Performance Accountability row of Table 1. Allows additional indicators to be established by the DESSA commissioner with input from state VR agencies and other stakeholders.</td>
</tr>
<tr>
<td><strong>Outreach and Services to Employers</strong></td>
<td>Not applicable</td>
<td>Adds section 109 to the Rehabilitation Act specifying that states may use VR funding to provide services to employers who have hired or are interested in hiring individuals with disabilities under programs carried out under the VR provisions of the Rehabilitation Act. Adds section 113 to the Rehabilitation Act, which specifies that the Commissioner of DESSA will provide additional technical assistance to DSUs, to develop successful partnerships with local and multi-state businesses to employ individuals with disabilities.</td>
</tr>
<tr>
<td><strong>Client Assistance Program (CAP)</strong></td>
<td>Program provides grants to states to advise and inform clients and potential clients of all the available services and benefits under the Rehabilitation Act of 1973, as amended, and of the services and benefits available to them under Title I of the Americans with Disabilities Act (ADA).</td>
<td>Adds provision that, when CAP appropriation equals or exceeds $14,000,000, between 1.8% and 2.2% of the appropriation shall be reserved to provide a grant for training and technical assistance for CAP programs.</td>
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<td>Provision</td>
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<tr>
<td>Title II: Research and Training</td>
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<tr>
<td><strong>Purpose</strong></td>
<td>States purposes including providing “for research, demonstration projects, training, and related activities to maximize the full inclusion and integration into society, employment, independent living, family support, and economic and social self-sufficiency of individuals with disabilities of all ages.”</td>
<td>Maintains existing provisions and adds:</td>
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<td>• Identify effective vocational rehabilitation strategies to assist individuals with disabilities, including those with intellectual and psychiatric disabilities;</td>
<td>• Identify strategies for coordination of services for jobseekers with disabilities through the workforce development system and partner programs; and</td>
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<td>• Identify strategies for supporting the employment of individuals with disabilities in competitive integrated employment.</td>
<td>• Identify strategies for supporting the employment of individuals with disabilities in competitive integrated employment.</td>
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<tr>
<td><strong>Administering Agency and Responsibilities of the Director</strong></td>
<td>Specifies programs will be administered by National Institute on Disability and Rehabilitation Research (NIDRR) under ED.</td>
<td>Creates National Institute on Disability, Independent Living, and Rehabilitation Research (NIDILRR) under the Administration for Community Living of HHS. Specifies that NIDILRR will administer programs authorized under this title of the Rehabilitation Act.</td>
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<td>Increases dissemination and reporting requirements, including requiring the director of NIDILRR to prepare annual report for House Committee on Education and the Workforce and Senate HELP Committee.</td>
<td>Authorizes NIDILRR director to utilize monitoring and enforcement measures if grantees fail to comply with the requirements of the act.</td>
</tr>
<tr>
<td><strong>Interagency Committee on Disability Research</strong></td>
<td>Creates Interagency Committee on Disability Research to promote coordination and cooperation among federal entities conducting rehabilitation research programs. Specifies 12 agencies that will be represented on the committee.</td>
<td>Adds six more agencies that will be represented on the committee.</td>
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<td>Requires that no later than two years after enactment of S. 1356 and not less than every three years thereafter, the committee shall host a “disability, independent living, and rehabilitation research summit” to inform the committee’s coordinated plan.</td>
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<tr>
<td><strong>Title IV—Rehabilitation Act Amendments of 1998</strong></td>
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<tr>
<td>Research and Covered Activities</td>
<td>Specifies that funded activities should support the implementation of other titles of the Rehabilitation Act.</td>
<td>Adds language explicitly allowing projects focusing on assistive technology or independent community living activities. Adds emphasis on the application of NIDILRR-funded research, including the dissemination and commercialization of findings.</td>
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<tr>
<td><strong>Title III: Professional Development and Special Projects</strong></td>
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<tr>
<td>Demonstration and Training Programs</td>
<td>Authorizes competitive grants for:</td>
<td>Renames section “Demonstration, Training, and Technical Assistance Programs.” Maintains existing grants and adds three new competitive grant programs:</td>
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<td>• Demonstration Projects to Increase Client Choice;</td>
<td>• Projects to facilitate the transition of youth with disabilities from school to post-secondary education, competitive integrated employment, and independent living;</td>
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<td>• Special Demonstration Programs;</td>
<td>• Commissioner’s Scholar Program to Recognize Individuals with Disabilities who are successfully completing a postgraduate degree;</td>
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<td></td>
<td>• Parent Information and Training Programs; and</td>
<td>• Training and Technical Assistance, Demonstration Projects, Dissemination of Information, and Implementation of Evidence-Based Research to Promote High-Quality Employment Outcomes for Individuals Receiving Services from DSUs and AIVRS.</td>
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<td>• Braille Training Programs.</td>
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<td>Establishes council of 15 members, appointed by the President and confirmed by the Senate. Requires eight members of the board to constitute a quorum.</td>
<td>Reduces membership from fifteen to nine. Reduces quorum to five.</td>
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<tr>
<td>Provision</td>
<td>Current WIA Law</td>
<td>S. 1356</td>
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<tr>
<td><strong>Title V: Rights and Advocacy</strong></td>
<td><strong>Title IV—Rehabilitation Act Amendments of 1998</strong></td>
<td><strong>Title V—Amendments to the Rehabilitation Act of 1973</strong></td>
</tr>
<tr>
<td>Employment of Individuals with Disabilities at Wages Below Minimum Wage</td>
<td>Established in section 14(c) of the Fair Labor Standards Act of 1938 (FLSA), as amended. Allows subminimum wages to be paid to employees “whose earning or productive capacity is impaired by age, physical or mental deficiency, or injury[.]” Wages must be related to an individual’s productivity and commensurate with the wages paid to workers who are not individuals with disabilities. Specifies that subminimum wages may only be paid by employers who have applied to DOL and received a certificate to pay workers with a disability subminimum wages. Requires employers to review each worker’s productivity and adjust wages accordingly at least every six months.</td>
<td>Adds new section to the Rehabilitation Act that relates to the FLSA; does not amend the FLSA. Specifies that in addition to meeting the criteria in the FLSA, an employer paying a subminimum wage must meet any of the following conditions: • The employer holds a valid certificate and the individual is employed prior to the enactment of S. 1356; or • The individual is older than age 24 on the date when he or she begins employment at a subminimum wage; or • The individual is age 24 or younger and, before beginning work at a subminimum wage, has met certain criteria regarding pre-employment transition services and vocational rehabilitation services, or • The individual, regardless of age, is receiving work readiness or job training services provided by the employer as part of preparation for competitive integrated employment and is reassessed at least every six months, to determine the individual’s transition to competitive integrated employment. Specifies that, during employment, all individuals employed at a subminimum wage must be provided with career counseling and other services at least once every six months.</td>
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<td>Provision</td>
<td>Current WIA Law</td>
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<tr>
<td><strong>Title VI: Employment Opportunities for Individuals with Disabilities</strong></td>
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<td><strong>Projects with Industry Program</strong></td>
<td>Authorizes competitive grants to individual employers, labor unions, trade associations, and other entities to establish joint projects with DSUs to create and expand job and career opportunities for individuals with disabilities.</td>
<td>Redefines private industry partners as “large businesses or groups of businesses.” Expands allowable uses to include paid internships and career exploration.</td>
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<tr>
<td><strong>Allotment of Supported Employment State Grant (SESG) funds</strong></td>
<td>Authorizes formula grants to states to provide supported employment services to individuals with the most significant disabilities.</td>
<td>Does not change allotment formula or minimum grant. Adds new rule that states must expend half their allotment under this section on supported employment services to youth with the most significant disabilities.</td>
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<td><strong>Use of SESG funds for extended services (ongoing services needed to support and maintain an individual in supported employment)</strong></td>
<td>Specifies that funds may not be used for extended services.</td>
<td>Allows the use of funds for extended services to youth with the most significant disabilities. Extended services may not exceed four years.</td>
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<tr>
<td><strong>Title VII: Independent Living Services and Centers for Independent Living</strong></td>
<td>Specifies independent living (IL) services are administered by RSA within ED.</td>
<td>Creates the Independent Living Administration (ILA) under the Administration for Community Living of HHS to administer this title of the Rehabilitation Act.</td>
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<td>Provision</td>
<td>Current WIA Law</td>
<td>S. 1356</td>
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<td><strong>Grant Programs</strong></td>
<td>Authorizes three formula programs:</td>
<td>Does not change allotment formulas.</td>
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<td>• Independent Living Services</td>
<td>Establishes new reservation in IL Services grants of 1.8% to 2.0% for technical and training assistance to State Independent Living Councils.</td>
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<td>• Independent Living Centers</td>
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<td>• Independent Living Services for Older Individuals who are Blind</td>
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<tr>
<td><strong>Title VIII: Increasing Employment Opportunities for Individuals with Disabilities</strong></td>
<td>Not applicable</td>
<td>Additional title added to the end of the Rehabilitation Act.</td>
</tr>
<tr>
<td><strong>Office of Disability Employment Policy, Services, and Supports</strong></td>
<td>Not applicable</td>
<td>Establishes ODEPSS in the DOL and specifies that ODEPSS shall be headed by an Assistant Secretary that is appointed by the President and confirmed by the Senate.</td>
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<td>Purpose of ODEPSS is:</td>
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<td>• To help develop and support national policies and practices that will increase employment and economic advancement opportunities for all individuals with disabilities; and</td>
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<td>• To ensure that such individuals are fully integrated into the 21st century workforce; and</td>
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<td>• To advance the purposes of the Rehabilitation Act.</td>
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<td>ODEPSS does not have enforcement authority.</td>
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<tr>
<td>Provision</td>
<td>Current WIA Law</td>
<td>S. 1356</td>
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<td><strong>Advisory Committee on Increasing Competitive Integrated Employment for Individuals with Disabilities</strong></td>
<td>Not applicable</td>
<td>Establishes an advisory committee that will study, and prepare findings, conclusions, and recommendations on ways to (1) reduce reliance on certificates issued to pay workers with intellectual, developmental, or other significant disabilities a wage less than the applicable minimum wage; (2) increase opportunities for these individuals to work in competitive integrated employment; and (3) increase oversight and accountability for the use of such certificates. Specifies the committee will consist of representatives from seven federal agencies as well as representatives from other stakeholder groups. Requires the committee to submit an interim report not later than one year after its first meeting and a final report not later than two years after its first meeting. Specifies that the committee terminates after the submission of the final report.</td>
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<tr>
<td><strong>Public Education Campaigns About Hiring Individuals with Disabilities</strong></td>
<td>Not applicable.</td>
<td>Requires a consortium of federal agencies to develop and carry out a public education campaign to educate employers, employees, and members of the general public on the benefits (including tax benefits) of hiring individuals with disabilities.</td>
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</tbody>
</table>

**Source:** Analysis of P.L. 105-220 and S. 1356, the Workforce Investment Act of 2013, as ordered reported by the Senate HELP Committee, July 31, 2013.
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